

ABC Red Top Mobile Marketing Case Study

Auction Broadcasting Company, parent company to the Atlanta, GA-based ABC Red Top Auto Auction, has nine auction houses across the country. For those who are unfamiliar with auto auctions, their primary business is to act as a broker to both independent dealers and franchises within a given area, helping sellers move inventory quickly, and connecting that inventory with other dealers looking to buy. All interested buyers come to a closed auction to view the latest vehicles up for sale.



Objective:

ABC Red Top's Georgia office hosts two sales per week, the largest being their dealer-only auction. Because there are other competing auto auctions in the area, the goal is to get as many buyers to attend their weekly auction as possible. In the past, Red Top has used telemarketers and mass faxes to the dealers in their area to inform them of special events, auction news, etc. For an idea of scope, there are approximately 3,300 dealers in their area, and usually 5-7 buyers within each dealership.

Solution:

About one year ago, while on a conference call with their corporate office, Calvert explored the idea to send text messages to their regular buyers. It sounded like a great way to break through the clutter, and she immediately searched online for a suitable SMS service.

Implementation:

Calvert's Atlanta office has a CRM system with all of their buyers' and sellers' contact information. Clients are given the option to provide their cell phone number to allow ABC Red Top-Atlanta to contact them about upcoming auctions by phone call or text message..

Calvert was ready to send her first message:

RedTopAA: This Friday @ 11AM 5/16 OVER 1000 CARS! Win \$10,000 GUARANTEED & \$1,000 Early Bird! Free Lunch before sale!!

Now, Calvert regularly sends out alerts describing how many cars will be auctioned off in the upcoming week, special payment promotions like 30-day floats, giveaways, and other incentives.

Outcome:

ABC Red Top Auto Auction prides themselves on top-notch customer service. They are known to treat small, independent dealers with as much respect and courtesy as the large

franchises, which greatly increases customer retention. Their use of SMS text messaging contributes to this “personal-touch” customer service mindset. In addition to increased overall attendance, buyers respond to messages requesting information about specific cars, asking general questions, etc. **Because sending mass texts is so quick and efficient, Calvert has been able to cut back on other, more costly, forms of marketing, saving the company money in our current, challenging economic environment.**